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IN THE

Supreme Court of the United States

OCTOBER TERM 1968

Docket No. 1249

JOHN K. RAINS,

Petitioner,

against

NIAQUA, INC.,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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On Petition:

JOEL MARTIN AURNOU.

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TO THE HONORABLE CHIEF JUSTICE AND THE ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

Petitioner, John K. Rains, plaintiff below, respectfully requests that a Writ of Certiorari be issued to review the decision and judgment of the United States Court of Appeals for the Second Circuit entered on January 13, 1969.

Opinions Below

Opinion of the United States Court of Appeals for the Second Circuit, not yet officially reported, entered January 13, 1969 (A1).

Opinion of the United States District Court for the Western District of New York, dated March 25, 1968, not officially reported (A13).

The companion opinion in *John K. Rains* v. *Cascade Industries, Inc.*, 402 F. 2d 241 (3rd Cir. 1968) (A18) decided October 14, 1968, which reversed 269 F. Supp. 68 (DCNJ 1967) is also set forth in the appendix as it involves the same patent and presents a conflict between the Circuits recognized by the Second Circuit in the opinion sought to be reviewed in this Court.

Jurisdiction

The final decision of the United States Court of Appeals for the Second Circuit was entered on January 13, 1969. This petition is therefore timely. There has been no application for rehearing, nor has there been an application for extension of time to apply for Certiorari. The jurisdiction of this court is invoked under 28 USC 1254 (1).

Questions Presented

1. Whether prior art alone, fully considered by the patent office, unsupported, unexplained and unevaluated by any testimony or other evidence offered by the defendant who rested at the conclusion of plaintiff's case, is sufficient to overcome the statutory presumption of validity (35 USC 282) especially where plaintiff has reinforced the presumption with expert and uncontradicted testimony of nonobviousness as well as evidence of secondary considerations such as commercial success.

2. Whether defendant sustained its burden of proof on the question of obviousness (35 USC 103) when it rested at the conclusion of plaintiff's case without offering any evidence other than unevaluated prior art, fully considered by the patent office and there rejected as nonanticipatory.

3. Whether the District Court could determine the legal question of validity adverse to the patent in issue without

making the factual findings required by *Graham* v. *John Deere* (383 US 1) 1966, where the defendant has offered no evidence other than prior art, fully considered by the patent office and rejected therein as nonanticipatory; and further where the only evidence (*other than prior art*) was offered by the plaintiff in support of the validity of the patent and this evidence was totally disregarded by the District Judge.

Statutory and Constitutional Provisions

This case involves the commerce and patent clauses of the Constitution of the United States, Article I, Section 8 (A32), 28 USC 1254 (1) (A32), 35 USC 103 (A32), 35 USC 282 (A33), Rules of the Supreme Court, Rule 19 (1) (b) (A33).

Statement of the Case

This action was initiated in the United States District Court for the Western District of New York which obtained jurisdiction pursuant to Title 28 USC §§ 1338, 1391, 1400 and Title 35 USC. The defendant maintained its principal place of business within the Western District of New York.

The patent in issue (Des. 201, 793), was granted to petitioner, John K. Rains in August of 1965 only after an interference proceeding in the patent office as to the priority of the claim. Thereafter, suits for infringement were commenced by the patentee in several courts, including the United States District Courts for the Western District of New York and for the District of New Jersey. Before the plenary trial in the instant case the defendant in *Rains* v. *Cascade Industries, Inc.*, pending in the District Court for the District of New Jersey moved for and obtained

summary judgment in an opinion by Judge Wortendyke, 269 F. Supp. 68 (DCNJ 67) which considered only the prior art, compared with the patent in issue. Judge Wortendyke found invalidity for lack of ornamentality and for obviousness.

While the appeal was pending in the Third Circuit Court of Appeals, Judge Henderson, in the United States District Court for the Western District of New York after a plenary trial in the instant case found the patent invalid for lack of ornamentality and for obviousness, citing, with great approval and reliance the opinion of Judge Wortendyke in *Rains* v. *Cascade*. Judge Henderson rejected all of the evidence submitted by the plaintiff in support of validity and relied only upon the prior art in comparison with the patent at issue. The defendant presented no evidence, having rested at the conclusion of the plaintiff's case.

Thereafter, during the pendency of the appeal in this case to the Second Circuit Court of Appeals, the Third Circuit Court of Appeals, on October 14, 1968, reversed Judge Wortendyke despite the fact that this patent had been declared invalid by Judge Henderson after a plenary trial in this case. The majority opinion took the trouble to clearly point out that it was aware of Judge Henderson's decision, but nevertheless reversed Judge Wortendyke, disregarding Judge Henderson's opinion since it relied upon the now reversed Wortendyke opinion and invited the Second Circuit to do likewise.

The Second Circuit thus had the opportunity, in reliance upon the Third Circuit opinion, to reverse the decision of Judge Henderson in the instant case and find the patent valid and infringed. However, the Second Circuit chose not only to ignore the opinion of the majority in the Third Circuit but affirmed Judge Henderson's opinion in the Western District of New York by relying upon the dissenting opinion in the Third Circuit Court

of Appeals and the reversed opinion of Judge Wortendyke in the District Court of New Jersey. In so doing, the Second Circuit admitted that it could only technically distinguish the contrary Third Circuit decision from the instant case.

What is of prime importance is that neither district court had before it any facts from which it could ascertain the yardstick necessary to use in making a determination of obviousness, since neither defendant produced any evidence whatsoever other than unevaluated prior art considered by the patent office and rejected as nonanticipatory.

Petitioner's design patent (A35), deals with the appearance of an above ground, as distinguished from an inground swimming pool. Its invention was a startling solution to the problem of creating a soundly constructed, practically priced above ground swimming pool attractive and pleasing to the eye.

The inventor of such a pool must possess sufficient technical training so that the pool will be structurally sound and sufficient artistic ability so that the pool will still be attractive and pleasing to the eye. Only an individual possessing this combination of talent could be considered as a yardstick with which to measure and ascertain the state of the art and judge the difference between the patent at issue and the prior art, certainly not a mere carpenter, the arbitrary yardstick of the lower courts.

An examination of the Rains design reveals that diagonal pieces called struts (at regular intervals around the entire periphery) support the walkway around the pool and is a member of that same triangular configuration against the wall of the pool that gives resistance to the water pressure. The entire deck assembly is so designed as to strengthen and hold together the water bearing area while adding to the overall appearance of the pool. This design is thus the exact opposite from that which would be employed by an orthodox mechanical or

functional approach. Such a designer would almost invariably consider running the diagonal braces outward from the top of the pool down to the base since this is the normal way to support any wall under a stress or load. Such an approach would invariably discard Rains' design since it would appear to create a weak and unsound construction. Thus, a designer, aware of any one of the tens of thousands of possible design configurations which would appear to be stronger structurally would never utilize the Rains design which appears to be so structurally weaker.

The Rains design gives the overall appearance of a greater rectangular box resting upon a lesser rectangular box with an understructure consisting of inclined struts (placed at regular intervals around the entire periphery of the pool) in an inverted triangular configuration with separate vertical fence posts. Note: these struts do not protrude beyond the edge of the walkway and the fence posts do not go all the way to the ground.

The Rains design is strikingly different from the prior art Futura (A36) and Esther Williams (A37) pools which all employ deck supports and fence posts as single members attached to the outer edge of the walkway and extending all the way to the ground. In the Esther Williams pool this is vertical to the deck and continued vertically to the ground. On the Futura pool starting at the base and continuing the entire length of the fence it is flared outward as one continuous line.

The French patent (A38), even with the translation, is confusing, unclear and cannot be constructed from what is disclosed by the patent drawings. While it relates to a metallic swimming pool, it is entirely different in appearance from the Rains pool. Figures 3 and 4 of the Rains pool (A40) are drawings contrasted with Figures 1 and 3 of the French patent. Figure 3 of the French patent is an actual cross section of the pool visible only if the pool were cut in half. It is not visible from the outside. This fact is

disclosed in Figure 1 of the French patent where there is a parting line which indicates to an engineer the point where the cross section was made. Thus, it is only the interior or X-ray (*nonvisible*) view of the pool described in the French patent that could be considered as remotely comparable to the exterior (*visible*) view of the Rains design.

A further comparison reveals that the triangular configuration depicted in Figure 3 of the French patent by the number 7 cannot be located in Figures 1 and 2 and, therefore, would not appear even in an X-ray or cross-sectional view. A free hand drawing of a cross-section view of the Rains pool (A39) taken at the exact same point as the cross-section view of Figure 3 of the French patent compared therewith shows the obvious differences. The French patent resembles a big U-shaped trough with a flat walkway down each side and no fence on either end of the pool. A translation of the claims of the French patent on page 2 clearly shows that there is no similarity with Rains. "The pool shown in the attached sketch (the French patent) is made up of the sections 1 presenting a U-shaped profile". See perspective drawing (A41) as compared with the Rains design (A35).

The Court of Appeals did not rule on the question of infringement, nor did it pass upon the District Court's finding that the design was not ornamental. Both the District Court and the Court of Appeals found that the Rains patent was novel. However, the Court of Appeals affirmed the District Court's judgment of invalidity *solely* upon the ground of obviousness (35 USC § 103).

Reasons for Allowance of the Writ

Petitioner urges the following reasons for the allowance of the writ:

1. The Second Circuit Court of Appeals has rendered a decision in the instant case which is in direct conflict with

the opinion of the Third Circuit Court of Appeals in the case of *Rains* v. *Cascade Industries, Inc.*, involving the validity of the same patent here at issue.

2. The Second Circuit Court of Appeals has decided an important federal question in a way in which it is in conflict with the applicable rulings of this Court as contained in *Graham* v. *John Deere,* 383 U. S. 1 (1966), and others.

3. The Second Circuit Court of Appeals has so far departed from the accepted and usual course of judicial proceedings and has so far sanctioned such a departure by the District Court for the Western District of New York as to call for an exercise of this court's power of supervision in that it has ignored the statutory presumption of validity contained in 35 U.S.C., Sec. 282, and permitted the validity of a patent to be overcome, and an affirmative defense of validity to be upheld, by proof consisting of no more than unevaluated prior art considered by the patent office and rejected therein as nonanticipatory.

The Third Circuit opinion in *Rains* v. *Cascade* thoroughly teaches that the trial court cannot comply with the technique of factual determinations set forth in *Graham* v. *John Deere* by merely comparing the prior art with the patent at issue in order to declare a patent invalid for obviousness. Furthermore, a court composed of laymen cannot, from the mere visual inspection of the patent at issue in comparison with the prior art, unevaluated, unexplained and uninterpreted, determine the important question of obviousness without expert testimony. The Second Circuit is directly in conflict with this opinion. The Second Circuit has decided that this design would have been obvious to a carpenter of ordinary skill, approving the imaginary yardstick created by Judge Wortendyke in the District Court in New Jersey and adopted by Judge Henderson in the District Court for the Western District of

New York in the instant case, without one scintilla of evidence, expert or otherwise, as to the standard of skill in the art or the qualifications of the artisan so that a yardstick could properly be determined with which to measure the differences and decide obviousness.

Title 35, U.S.C. Sec. 282 has granted a presumption of validity to a patent issued by the patent office. The Second Circuit in its decision has apparently rendered this presumption of no moment and has determined that the burden of proof on the defendant is merely a preponderance of the evidence, overcome solely by an examination of the unevaluated prior art cited by the patent office as nonanticipatory in comparison with the patent at issue. Such a determination is clearly erroneous and clearly in conflict with the decision of this court in *Radio Corporation of America, et al.* v. *Radio English Labs, Inc.*, 293 U. S. 1 (1934), as well as *Graham* v. *Deere*. This decision is also contrary to the recent determination of the Courts of Appeal in other Circuits. For example: *Ortman* v. *Maas*, 391 F. 2d 677 (7th Cir. 1968); *Metal Arts Co.* v. *Fuller Co.*, 389 F. 2d 319 (5th Cir. 1968); *Porter Cable Machine Company* v. *Black and Decker Manufacturing Company*, 402 F. 2d 517 (4th Cir. 1968); *Gass* v. *Montgomery Ward*, 387 F. 2d 129 (7th Cir. 1967).

If the presumption of validity is to have any meaning, all that the plaintiff is required to do in order to prove his *prima facie* case is to introduce the patent at issue and show that he is the owner thereof and that the same has been duly granted by the patent office and is unexpired. From that point on it is the obligation and burden of the defendant to attack by evidence the presumably valid patent. If this presumption can be overcome and the defendant's burden sustained merely by introducing the prior art considered by the patent office and therein rejected as nonanticipatory, then this court should say so.

If not, this Court should reaffirm in clear and unequivocal language just what the procedure is that the District Court must follow before the presumption of validity can be overcome and the defendant's burden of proof sustained as to the issue of invalidity, and more particularly, the section 103 requirement of nonobviousness.

This court on March 25, 1969, granted certiorari in the case of *Pavement Salvage Company, Inc.* v. *Andersons Black Rock, Inc.*, 404 F. 2d 450 (4th Cir. 1968) (Docket No. 1014). In the *Pavement Salvage Company* case, the Court of Appeals for the Fourth Circuit reversed the judgment of the District Court which found the patent in question invalid due to obviousness. The opinion in the *Pavement Salvage Company* case followed the technique laid down in *Graham* v. *John Deere.*

Both the *Pavement Salvage Company* case and the instant case involving the same issue as to obviousness provide this court with the unique opportunity to once and for all declare the procedure which must be followed by the District Courts and the Courts of Appeal in determining the validity of a patent. This court can now clarify the nature and consequences of the presumption of validity and the burden of proof and their applicability to the question of validity. This court has determined that it will hear the *Pavement Salvage* case, involving a mechanical or utility patent, while the instant case involves a design patent. Thus, the court can at the same time give force and effect to its rulings for both mechanical and design patents and thereby confer a great benefit upon the entire field of patent law.

CONCLUSION

Wherefore, petitioner respectfully requests that this petition for a Writ of Certiorari be granted.

Dated: April 7, 1969.

Respectfully submitted,

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Of Counsel:

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